

STATE MS. - DE SOTO CO. *gln*

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BK 1138 PG 229
W.F. DAVIS CH. CLK.

THIS INSTRUMENT PREPARED BY AND RETURN TO:

E. Dale Jamieson, Attorney
65 Germantown Court, Suite 100
Cordova, TN 38018
901-756-6630

DEED OF TRUST

THIS INDENTURE IS MADE and entered into this 12th day of July, 1999, by and between BRAD RAINEY HOMES, INC., a Tennessee corporation, party of the first part; and

James E. Woods, Trustee, party of the second part,

WITNESSETH: for and in consideration of Five Dollars Cash in hand paid by the party of the first part, and the debt and trusts hereafter mentioned, the party of the first part has bargained and sold and does hereby bargain, sell, convey and confirm unto the party of the second part the following described real estate (hereafter Property) situated and being in DeSoto County, Mississippi, to-wit:

Lot 93, Section C, FAIRHAVEN ESTATES Subdivision, situated in Section 2 and 3, Township 2 South, Range 6 West, City of Olive Branch, DeSoto County, Mississippi as per plat recorded in Plat Book 64, Pages 40-42, Chancery Clerk's Office, DeSoto County, Mississippi/

PROPERTY ADDRESS: 10107 Lacey Drive, DeSoto County, Olive Branch, MS 38654

TO HAVE AND TO HOLD, the above Property, together with all the hereditaments and appurtenances thereunto belonging or in any wise appertaining unto the party of the second part, its successors and assigns, in fee simple forever; and the party of the first part does hereby covenant with the party of the second part, its successors and assigns, that it is lawfully seized in fee of the above Property; that it has a good right to sell and convey the same; that the same is unencumbered; and that the title and quiet possession thereto it and its heirs, successors, and assigns shall warrant and forever defend against the lawful claims of all persons.

But this is a Deed of Trust, and is made for the following uses and purposes, and none other; that is to say: the party of the first part is justly indebted to **BANK OF MISSISSIPPI**, or the holder of the notes hereafter mentioned, in the sum of **One Hundred Forty One Thousand Six Hundred and 00/100 Dollars (\$141,600.00)**, evidenced by one note of even date herewith for that amount, payable to the order of **Bank of Mississippi**, payable in monthly installments of interest at a rate of **prime plus one percent (1.0%) of the prevailing rate based upon the Bank of Mississippi prime rate, beginning January 12, 2000**, with the balance of the indebtedness due and payable on **July 12, 2000**, if not sooner paid.

The party of the first part desires to secure and make certain the payment of the indebtedness, and of any and all renewals and extensions thereof. Now, therefore, the party of the first part agrees and binds itself that so long as any part of the indebtedness shall remain unpaid it will (a) pay all taxes and assessments against the Property promptly when due and deposit all tax receipts with the holder of the greater portion of the outstanding indebtedness secured hereby; (b) insure the improvements on the Property for not less than the lesser of (1) the insurable value thereof or (2) the total indebtedness secured by mortgages, deeds of trust or other security instruments encumbering the Property against loss or damage by fire and the perils against which insurance is afforded by extended coverage endorsement in some insurance company or companies approved by the holder of the greater portion of the outstanding indebtedness secured hereby, cause the policies to contain a standard mortgagee clause in favor of the holder of the indebtedness and deposit the policies with the holder of the greater portion of the outstanding indebtedness secured hereby as further security for the debt; (c) protect the improvements on the Property by proper repairs, and maintain them in good repair and condition; (d) not do anything or suffer or permit anything to be done where by the lien of this Deed of Trust might or could be impaired; and (e) pay such expenses and fees as may be necessary in the protection of the Property and the maintenance and execution of this trust, including, but not being limited to, expenses incurred by the Trustee in any legal proceeding to which it is made or becomes a party. The net proceeds resulting from the taking of all or

any part of the Property by eminent domain, or from any sale in lieu thereof, shall be applied upon the indebtedness in inverse order of its maturity. In the event of the destruction of the improvements by fire or other casualty, the net proceeds of the insurance shall be applied upon the indebtedness secured hereby in inverse order of its maturity, or at the option of the party of the first part, its heirs, successors, and assigns, such proceeds may be used to restore the improvements to their former condition.

The holder of any part of the indebtedness aforesaid may, at its discretion, advance and pay such sums as may be proper to satisfy taxes, maintain insurance and repairs, and protect and preserve the Property; and such amounts so paid shall be held and treated as part of the expense of administering this trust, shall be repaid on demand with interest at the highest rate legally chargeable on the date of the advance, and shall be secured by the lien of this deed of trust.

If the party of the first part shall pay the indebtedness when due, and shall pay such sums as shall be necessary to discharge taxes and maintain insurance and repairs and the costs, fees and expenses of making, enforcing and executing this trust, when they shall severally be due and payable, then this conveyance shall become void; and the holder of the indebtedness shall execute a proper deed of release or enter a marginal satisfaction on the record of this deed of trust, or, in the alternative, the Trustee shall reconvey by quit claim the Property herein described, all at expense of the party of the first part.

But if the party of the first part shall fail to pay any part of the indebtedness, whether principal or interest, promptly when the same becomes due, or shall fail to pay any sum necessary to satisfy and discharge taxes and assessments before they become delinquent, or to maintain insurance or repairs, or the necessary expense of protecting the Property and executing this trust, then, or in either event, all of the indebtedness herein secured shall, at the option of the holder of any of the indebtedness and without notice, become immediately due and payable, principal and interest, and the Trustee is hereby authorized and empowered to enter and take possession of the Property, and before or after such entry to advertise the sale of the Property for twenty one days by three weekly notices in some newspaper of general circulation published in DeSoto County, Mississippi, if the land described in this deed of trust is situated in DeSoto County, Mississippi, or in some newspaper of general circulation published in the County or Counties in which the land described in this deed of trust is situated, if other than DeSoto County, Mississippi, and sell the Property for cash to the highest bidder, free from the equity of redemption, the statutory right of homestead, and all other rights and exemptions of every kind, all of which are hereby expressly waived; and the Trustee shall execute a conveyance to the purchaser in fee simple, and deliver possession to the purchaser, which the party of the first part binds itself shall be given without obstruction, hindrance or delay. In any sale, the Trustee shall have the right to marshal the Property.

The holders of any part of the indebtedness hereby secured may become the purchaser at any sale under this conveyance.

If the notes secured hereby are placed in the hands of an attorney for collection, by suit or otherwise, or to enforce their collection by foreclosure, or to protect the security for their payment, the party of the first part will pay all costs of collection and litigation, together with an attorney's fee as provided in the notes, or, if none is so provided, a reasonable attorney's fee, and the same shall be a lien on the Property herein conveyed and enforced by a sale of the Property as herein provided.

The proceeds of any sale shall be applied as follows: first, to the payment of the expenses of making, maintaining and executing this trust, the protection of the Property, including the expense of any litigation and attorney's fees, and the usual commissions to the Trustee; second, to the payment of the indebtedness herein secured or intended so to be, without preference or priority of any part over any other part, and any balance of the indebtedness remaining unpaid shall be the subject of immediate suit; and third, should there be any surplus, the Trustee will pay it to the party of the first party, or its assigns. In the event of the death, refusal, or the inability on the part of the Trustee named herein, or of any successor trustee, to act hereunder for any reason, or for any other reason satisfactory to the holder of the indebtedness, the holder or holders of the majority of the outstanding indebtedness are authorized either in their own name or through an attorney or attorneys in fact appointed for that purpose by written instrument duly registered, to name and appoint a successor or successors to execute this trust, such appointment to be evidenced by a writing, duly acknowledged; and when such writing shall have been registered, the substituted trustee named therein shall thereupon be vested with all the right and title, and clothed with all the power of the Trustee named herein and such like power of substitution shall continue so long as any part of the indebtedness secured hereby remains unpaid. The party of the first part, for itself, its heirs, successors and assigns, covenants and agrees that, at any time after default in payment of any of the indebtedness hereby secured, or upon failure to perform any of the covenants to be kept and performed by it, the Trustee may enter upon and take possession of the Property and collect the rents and profits therefrom with payment of such to the Trustee after default being full acquittance to the tenant. The Trustee shall be required to account only for the net rents received by it; and from and after the conveyance of the Property under this deed of trust, the party of the first part and all persons claiming under it, shall, at the option of the purchaser, be and become the tenants at will of the purchaser, at a reasonable monthly rental, commencing with the date of delivery of the Trustee's Deed.

In the event that more than one Trustee is named herein, any one of such Trustees shall be clothed with full power to act when action hereunder shall be required, and to execute any conveyance of the Property. In the event that more than one Trustee is named herein and the substitution of a trustee shall become necessary for any reason, the

substitution of one trustee in the place of those or any of those named herein shall be sufficient. The term "Trustee" shall be construed to mean "Trustees" whenever the sense requires. The necessity of the Trustee herein named, or any successor in trust, making oath or giving bond, is expressly waived.

No waiver of a default by the party of the second part or by the holder of the indebtedness secured hereby shall be construed as a waiver of a subsequent similar default or any other default by the party of the first part.

The singular number may be construed as plural, and the plural as singular, and pronouns occurring herein shall be construed according to their proper gender and number, as the context of this Indenture may require.

IN WITNESS WHEREOF, the party of the first part has executed, or has caused to be executed, this instrument on the day and year first above written.

Brad Rainey Homes, Inc., a Tennessee corporation

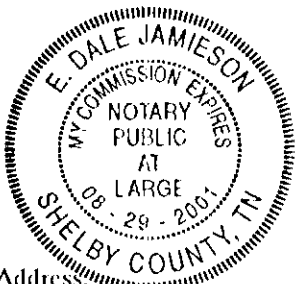
By: _____

Bradford W. Rainey, President

STATE OF TENNESSEE
COUNTY OF SHELBY

PERSONALLY appeared before me, the undersigned authority of law in and for the jurisdiction aforesaid, the within named, **BRADFORD W. RAINEY**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who executed the foregoing instrument in behalf of **BRAD RAINEY HOMES, INC., a Tennessee corporation**, and who acknowledged that he executed the same as the free act and deed of said **BRAD RAINEY HOMES, INC.**

WITNESS my hand and Notarial Seal at office this 12th day of July, 1999.



Notary Public

My Commission Expires:

Grantor's Address:
Brad Rainey Homes, Inc.
281 Germantown Bend
Cordova, TN 38018
901-754-4311